

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1379 - HB 1502**

April 1, 2021

**SUMMARY OF BILL:** Increases, from 5 days to 10 days, the period within which a party may file a request for a hearing by a judge following a decision by the magistrate in a child support case. Increases the salary of a Title IV-D child support magistrate to 75 percent of the salary of a circuit court judge.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$163,900/FY21-22**

**Exceeds \$163,900/FY22-23 and Subsequent Years**

**Increase Federal Expenditures -**

**\$318,000/FY21-22/Title IV-D Child Support Funds**

**Exceeds \$318,000/FY22-23 and Subsequent Years/**

**Title IV-D Child Support Funds**

**Assumptions:**

- The current salary of a Title IV-D child support magistrate is \$103,452. The estimated annual expenditure for benefits is \$23,929.
- There are currently 12 such magistrates employed through the Administrative Office of the Courts (AOC).
- The current salary of a circuit court judge is \$183,852.
- The proposed legislation would increase the salary of child support magistrates by \$34,437  $[(\$183,852 \times 75.0\%) - \$103,452]$ , for a total salary of \$137,889  $(\$103,452 + \$34,437)$ .
- The annual costs for benefits for a salary of \$137,889 is estimated to be \$29,649.
- The proposed legislation would increase the annual expenditure for benefits per magistrate by \$5,720  $(\$29,649 - \$23,929)$ .
- The total annual cost to increase the salary of all child support magistrates to 75 percent of the salary of a circuit court judge is \$481,884  $[(\$34,437 \text{ salary} + \$5,720 \text{ benefits}) \times 12 \text{ magistrates}]$ .
- Currently the salaries of child support magistrates are paid through a percentage share agreement between the AOC and the Department of Human Services (DHS) as follows:
  - 66 percent DHS; and
  - 34 percent AOC.
- The DHS share will be provided through federal Title IV-D child support funds.
- The AOC share is a state expense.

- Therefore, a one-time increase in state expenditures to AOC of \$163,841 ( $\$481,884 \times 34.0\%$ ) in FY21-22.
- A one-time increase in federal expenditures to DHS of Title IV-D child support funds of \$318,043 ( $\$481,884 \times 66.0\%$ ) in FY21-22.
- Pursuant to Tenn. Code Ann. § 8-23-103(2) the salary of a circuit court judge is increased each year based upon the percentage of change in the average consumer price index between the two previous calendar years. No change is made in years in which the consumer price index decreased or remained the same.
- Pursuant to this legislation, the salary of child support magistrates would increase alongside any increase to the salary of circuit court judges.
- Therefore, a recurring increase in state expenditures to AOC estimated to exceed \$163,841 in FY22-23 and subsequent years.
- A recurring increase in federal expenditures to DHS of Title IV-D child support funds estimated to exceed \$318,043 in FY22-23 and subsequent years.
- Increasing, from five days to ten days, the period within which a party may file a request for a hearing by a judge following a decision by the magistrate in a child support case is not estimated to increase the caseload on the courts; any fiscal impact to the court system is estimated to be not significant.
- The preceding assumptions are based on information provided by AOC and DHS.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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